FISCAL NOTE

SB 2481 - HB 2584

February 7, 2000

SUMMARY OF BILL: Requires property assessors to value real property rented or leased to a low-income individual or family based only on the income from the rent paid by such low-income individuals and families. Using this method takes into account that regulations limit to a percentage of an individual's or family's income the amount they may be required to pay to rent or lease property and such limitation may reduce the market value of the property. Further provides that the assessor shall not take into account or assign any value to low-income housing credits authorized or awarded to the property pursuant to the Internal Revenue Code.

ESTIMATED FISCAL IMPACT:

Decrease Local Govt. Revenues - Exceeds $5,000,000

Assumes:

- only restricted rental income can be considered in assessing low-income rental housing resulting in property being assessed at less than market value.
- over 12,000 affected units with an average appraisal of $70,000 each.
- 40% reduction in appraisal or an average of $28,000 per unit.
- property is assessed at 40% of this new value.
- estimate is based on a $4.00 combined county and city tax rate.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

SB 2481 - HB 2584